

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
SOUTH COLUMBIA BASIN IRRIGATION DISTRICT

January 11, 2024 Pasco, Washington

The regular meeting of the Board of Directors of the South Columbia Basin Irrigation District was called to order by Director Conrad at 9:00 a.m. on January 11, 2024. Those in attendance were:

DIRECTORS

Maurice Balcom
Richard Conrad
Charles Lyall
JJ Danz

OFFICERS AND STAFF

John O’Callaghan, Secretary/Manager
Kellie Pierson-Geddes, Assistant Secretary/Treasurer
Eric Dixon, Assistant Manager
Brian Scott, Chief Engineer
Terrie Larson, Executive Assistant
Larry Martin, Attorney

OTHERS

Marc Maynard, United States Bureau of Reclamation

OATH OF OFFICE

An Oath of Office was administered to Director Conrad to serve a three-year term.

APPROVAL OF MINUTES

The minutes of the December 14, 2023, regular meeting were presented for Board approval. Director Lyall moved to approve the minutes as presented. Director Danz seconded the motion and it carried.

ORGANIZATION OF 2024 BOARD AND STAFF

The 2023 Board was adjourned and Secretary/Manager O’Callaghan assumed the chair to open the meeting to nominations. Director Lyall moved to nominate Director M. Balcom as President of the Board, that nominations be closed, and that a unanimous ballot be cast. Director Danz seconded the motion and it carried.

President M. Balcom assumed the chair by being present over the phone.

Director Danz moved to nominate Director J. Balcom as Vice-President of the Board, that nominations be closed, and that a unanimous ballot is cast. Director M. Balcom seconded the motion and it carried.



Director M. Balcom appointed Director Conrad to resume chairing the meeting.

Director Lyall moved to approve the following list of appointments for 2024 and adopt Resolutions S-24-1 Reserved Works Committee, and S-24-2 Columbia Basin Hydropower Board. The appointments remain the same as in 2023. Director M. Balcom seconded the motion and it carried.

The following are the appointments for 2024:

Reserved Works Committee:

Director Danz
Director Balcom
Director J. Balcom, Alternate
Director Lyall, Alternate

Columbia Basin Hydropower Board:

Director Danz
Director Conrad
Director Lyall, Alternate
Director Balcom, Alternate

CBHP Steering Committee:

Director Danz
Director Conrad
Director Lyall, Alternate
Director Balcom, Alternate

PEC Headworks/Quincy Chute Advisory Committee:

Director Conrad
Director Danz
Attorney Martin, Alternate

CBHP Project Development Committee:

Director Conrad
Secretary/Manager O'Callaghan

Diversion Rate Committee:

Secretary/Manager O'Callaghan
Attorney Martin

Main Canal Trail Lake Advisory Committee:

Director Danz
Secretary/Manager O'Callaghan
Assistant Manager Dixon



Strategic Planning Committee:

Director Danz
Director Lyall
Secretary/Manager O'Callaghan
Assistant Manager Dixon

Finance Committee:

Director Conrad
Director J. Balcom
Secretary/Manager O'Callaghan

WSWRA:

Director Balcom
Secretary/Manager O'Callaghan

Columbia Basin Development League:

Director Danz

Franklin County Voluntary Stewardship Program:

Secretary/Manager O'Callaghan

Family Farm Alliance Committee:

Director Lyall

APPOINTMENT OF STAFF AND ATTORNEY

Director Danz moved to appoint the following for 2024: (1) John O'Callaghan as Secretary/Manager, (2) Kellie Pierson-Geddes as Assistant Secretary/Treasurer/Auditing Officer, and (3) Lawrence Martin as Attorney. Director Lyall seconded the motion and it carried.

RESOLUTION S-24-3
AUTHORIZATION FOR SECRETARY/MANAGER
AND ASSISTANT SECRETARY/TREASURER/AUDITING OFFICER
TO CO-SIGN BANK ACCOUNTS AND INVESTMENTS

Secretary/Manager O'Callaghan presented Resolution S-24-3 which is an Authorization for Secretary/Manager and Assistant Secretary/Treasurer/Auditing Officer to Co-sign Bank Accounts and Investments. Director M. Balcom moved to adopt Resolution S-24-3. Director Danz seconded the motion and it carried.

FINANCE AND BUDGET

Treasurer Pierson-Geddes reviewed the summary of investments and the December 2023 month-end financial statements.

Secretary/Manager O'Callaghan reviewed the December 2023 budget.



Treasurer Pierson-Geddes presented the following vouchers for Board consideration:

| | | |
|---|--|----------------|
| Investments | | |
| Check Nos. 102224 and 102225 | | \$1,069,541.62 |
| Electronic funds transfer 220830 through 221054 | | \$3,351.13 |
| Monthly Expenditures | | |
| Electronic funds transfer 102219 through 102234 | | \$154,456.66 |
| Check Nos. 220793 through 221069 | | \$1,633,416.13 |
| Payroll | | |
| Check Nos. 29452 through 29455 and electronic funds transfers to employee accounts | | \$595,196.35 |

Treasurer Pierson-Geddes recommended approval. Director Lyall moved to approve the vouchers as presented. Director M. Balcom seconded the motion and it carried.

RESOLUTIONS

Secretary/Manager O’Callaghan presented Resolution S-24-4 Declaration of Sole Source Supplier Rubicon Water and S-24-5 Declaration of Sole Source Supplier UPL NA, Inc. for approval. Director Danz moved to adopt the resolutions as presented. Director Lyall seconded the motion and it carried.

Secretary/Manager O’Callaghan presented Resolution S-24-6 Approval of the Abandonment of the United States Easement for the P.P. 7.7. Director Lyall moved to adopt resolution S-24-6 as presented. Director Danz seconded the motion and it carried.

AGREEMENT FOR PERMANENT RELEASE OF WATER ALLOTMENT

Secretary/Manager O’Callaghan presented and recommended approval of the following Agreements for Permanent Release of Water Allotment:

| | | |
|--|-----------------------------|----------------|
| Deep Creek Investment Properties, Inc. | Parcel #001-047-001-03000-0 | 75.6 Acre-Feet |
| Kenneth & Alicia A. Gradin | Parcel #003-043-009-03800-0 | 4.5 Acre-Feet |

Director Lyall moved to approve the Agreements for Permanent Release of Water Allotment. Director Danz seconded the motion and it carried.

COLUMBIA BASIN HYDROPOWER BILLING

Secretary/Manager O’Callaghan presented and recommended approval of the Columbia Basin Hydropower (CBHP) Reserved Works Power Operations 2023 4th Quarter Operation and Maintenance (O&M) billing to the three Columbia Basin Project Districts in the amount of



\$331,386.00. The SCBID portion is \$100,045.00. Director Lyall moved to authorize the payment as presented. Director Danz seconded the motion and it carried.

EASEMENT AGREEMENT & CONFIRMATION DEED

Assistant Manager Dixon presented and recommended approval of the following Easement Agreement and Confirmation Deeds:

Big Sky Development Irrigation Pond, LLC. Parcel #115180043
Pasco School District No. 1 Parcel #115180042

Director Danz moved to approve the Easement Agreement and Confirmation Deeds. Director Lyall seconded the motion and it carried.

WATER SERVICE CONTRACT

Secretary/Manager O’Callaghan presented and recommended approval of the cancellation and the renewal of the following Water Service Contract:

Waste, Seepage, & Return Flow WSC #349 William A. Lewis 205.5 Acre Feet

Director Lyall moved to approve the Water Service Contract Cancellation and Renewal as presented. Director Danz seconded the motion and it carried.

TREASURER’S REPORT

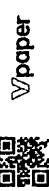
Assistant Secretary/Treasurer Pierson-Geddes reported on the following projects:

Assessments – Once splits and name changes are updated, the assessments will be printed. The District website and water ordering portal website have been added to the assessments and receipts.

Audit – The Washington State Auditor’s Office entrance conference took place on December 29th. The financial assessment balance testing was completed and is under review. Samples of the expense balances are being selected for review. All accountability sections were currently in progress. The office staff has been preparing documents for review.

General – Assistant Secretary/Treasurer Pierson-Geddes participated in conference calls that included Idaho Water Users board meeting, CBHP board meeting, Washington State Water Resource Association board meeting, and a call with HUB International regarding District insurance policies.

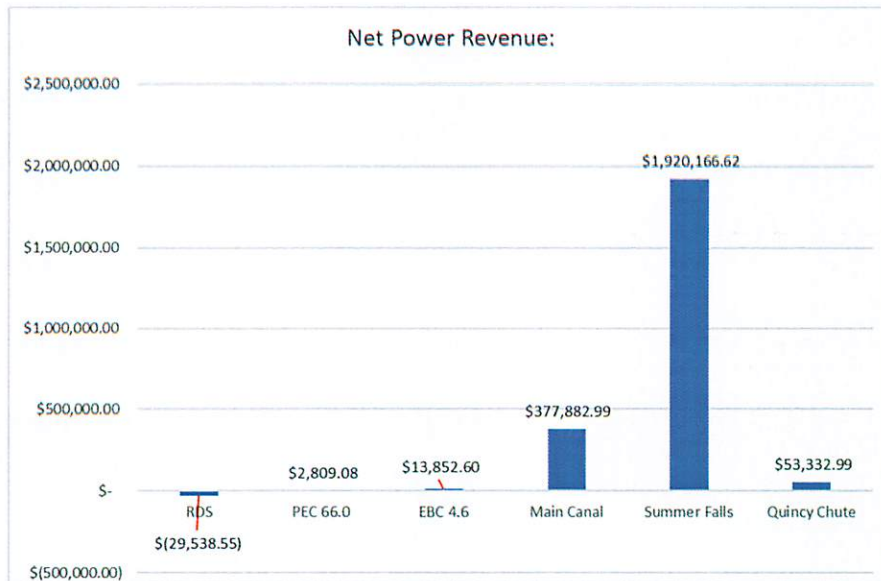
Financial Statements – Year-end journal entries are in progress. Preparation of the annual financial statements will begin once that is completed. The year-end parts and chemical inventories have been completed. Year-end accounts payable tracking is in progress.



Investments - Three United States Treasury Bills (T Bills) matured in December. The funds were reinvested into two new T Bills at 5% and 5.14%. The Local Government Investment Pool rate is currently 5.429%

Network Security - In the last 90 days, no viruses were detected on the first level of security. Seven malicious software and viruses were quarantined and removed on the second level of security. No computers were infected and there were no network intrusions detected. All computers are running on the latest version of antivirus protection.

NET POWER REVENUE



ENGINEERING REPORT

Chief Engineer Scott reported the status of the following projects:

General – Bids are being solicited through the small works roster for excavating the WB5.4 road crossing to replace a leaking pipe. The District Hydrologist continues to prepare a technical report for the United States Bureau of Reclamation (Reclamation) Water Energy Efficiency Grant. Engineers have been working on pipeline designs for the projects proposed for the grant. Engineers are continuing to track ongoing projects and support the field crews as needed.

Bid Projects – Tapani, Inc. is anticipating to begin work on the Block 24 valve replacement on January 15th. C&E Trenching, LLC. is anticipating deconstruction of the lower Scooteneey pump manifold replacement on January 22nd or the 29th pending shipment of the Romac coupler needed to connect the new manifold to the discharge pipe.

BPA Grants - Two gates have been installed at the PE55 headworks. Pro-Cut Concrete Cutting and Breaking, Inc. was onsite at the EL85 orifice check to cut the deck and walls for the flume gate installation. Eltopia crews are excavating for the PE59.4D5 pipe and will begin preparing



the headgate for the Rubicon gate soon. The remaining two gates are in transit and should arrive at the Port of Oakland on January 30th.

Potholes East Canal Headworks Repairs - Installation of the floor reinforcement and the lower part of the new wall is complete. There is significant groundwater coming into the work area. The crew removed some of the gravel previously placed and installed washed rock covered with plastic to protect the rock during concrete placement. A sump pump was placed to remove excess water. Forms have been constructed for the downstream wall. The concrete is planned to be poured on January 16th and then every Tuesday for 5 weeks, concluding on February 20th.

PERMITS

Chief Engineer Scott presented the following permits for Board consideration:

| <u>BLOCK/FARM UNIT</u> | <u>APPLICANT/LANDOWNER</u> | <u>PERMIT REQUESTED</u> | <u>FEE</u> |
|------------------------|----------------------------|-------------------------|------------|
| 19/186 | Kent MacKay | Turnout Relocation | \$350 |
| 25/71 | US Cellular | Electric Crossing | \$50 |
| 25/71E | US Cellular | Driveway Crossing | \$50 |
| 16/286 | Jed Pauley | Convenience Turnout | \$350 |

Chief Engineer Scott advised that the permits met all District requirements, there were no further operations or maintenance concerns to be considered, and recommended approval by the Board. Director Lyall moved to approve the permits as presented. Director Danz seconded the motion and it carried.

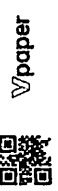
OPERATIONS REPORT

Assistant Manager Dixon reported on the status of the following topics:

The Potholes Reservoir Elevation is 1041.8 (340,900 acre-feet active storage).

Eltopia – Crews are working on the PE59.4 liner downstream of Sagemoor Road. The liner has been installed. Backfill and rock placement are being completed. Prep work has started on the PE59.4D5 pipeline project. Crews will make repairs to several damaged panels on the Esquatzel Diversion Channel after completion of the PE59.4 liner. Work continues on the foundation and other concrete work for the new weed screen at the PE64 Pumping Plant. Routine maintenance is being completed.

Mesa - Work continues on the PE27C liner project downstream of Sheffield Road. Ditch shaping and excavation are underway. Wet conditions have slowed progress. Wire ropes and hardware are being replaced on the Mesa check gate. Routine maintenance is being completed. Spoils are being hauled from ditch banks. Fabrication and installation of weed racks and decks for structures are being completed. The District welder continues to work on weed screen fabrication.



Wahluke - An electrical issue was found on the old lowboy tractor and was repaired. Both trucks are operational. Potholes East Canal headworks wingwall repairs continue. Initial rebar placement has been completed and formwork for the first placement has been installed. Concrete is scheduled to be poured next week. Crews are waiting for the couplers for the PE27A surge tank replacement prior to the demolition of the existing pipeline. The steel tee and stand pipe are being fabricated. Crews are performing routine maintenance, cleaning ditches, and working on roads. Engineers are sorting out the best repair method for the WB5.4 crossing under Sagehill Road at Hendricks Road. An open excavation pipe replacement is likely. The boom repair was completed on the CAT 329 longstick. New pins and bushings are being installed. Another crack was noticed on the stick during reinstallation and will be repaired.

Mattawa – The new CAT 317 excavator has been delivered. Crews are performing routine maintenance on laterals, structures, and roadways.

Miscellaneous – The cultural/historical work for the partial title transfer continues. The contractor has provided an updated field methodology and is completing a permit application required to survey Reclamation interests. Reclamation should be in the process of initiating consultation with the Tribes. The District is working with Franklin Public Utility District to get electronic meter readings from landowners utilizing a power meter factor for billing within their service area. Big Bend Electrical Cooperative started providing electronic readings late last summer. The Pasco Municipal & Industrial (M&I) pump station is nearing design completion. The City plans to request bids soon. Issuance of an M&I contract by Reclamation is still pending.

RECESS

Director Conrad called for a 15-minute recess at 11:00 A.M. The meeting reconvened at 11:15 A.M.

MANAGER'S REPORT

Secretary/Manager O'Callaghan reported on events since the December board meeting which included various meetings he attended and upcoming events.

CALENDAR OF EVENTS

Secretary/Manager O'Callaghan reviewed the January and February calendars.

USBR REPORT

Ephrata Field Office Manager Marc Maynard reported that Reclamation is conducting an economic study of the Columbia Basin Project.



RESERVED WORKS SEASON START DATES

There was discussion among the board regarding the Reserved Works season start dates. March 1st is proposed for the Potholes Reservoir start date and March 13th is proposed for the water delivery date. No action was taken.

TRAVEL AUTHORIZATION

Secretary/Manager O’Callaghan requested travel authorization for the following events:

| | | |
|------------------------|----------------|---------------------|
| Tri-State Meeting | Portland, OR | February 2, 2024 |
| Legislative Meetings | Washington, DC | March 19 & 20, 2024 |
| NWRA Policy Conference | Washington, DC | April 9-11, 2024 |

Director Lyall moved to approve the travel authorizations as presented. Director M. Balcom seconded the motion and it carried.

FEDERAL LEGISLATIVE MEETINGS DISCUSSION TOPICS

The board discussed important discussion topics for the federal legislative meetings in Washington, DC.

MARSH & MCLENNAN AGENCY AGREEMENT

Secretary/Manager O’Callaghan presented the Marsh & McLennan Agency insurance brokerage agreement for ratification. During the December 2023 meeting, the board authorized Secretary/Manager O’Callaghan to sign the agreement. The Board was provided a copy of the agreement. Director Lyall moved to ratify the insurance brokerage agreement as presented. Director Danz seconded the motion and it carried.

RESCHEDULE APRIL BOARD MEETING

The April board meeting is rescheduled to April 4th, 2024 due to a conflict with the NWRA Policy Conference in Washington, DC. Director Danz moved to approve the date change for the April board meeting. Director Lyall seconded the motion and it carried.

DIVERSION RATE UPDATE

Secretary/Manager O’Callaghan discussed the diversion rate with the board. There has not been any action taken by Reclamation.

CBP WATER RIGHTS

There were no matters to discuss.



COLUMBIA BASIN HYDROPOWER

There were no matters to discuss.

TITLE TRANSFER

There were no matters to discuss.

PUBLIC COMMENT

There were no members of the public in attendance.

OTHER BUSINESS

There was no other business to discuss.

NEXT MEETING

The next regular meeting will be Thursday, February 8th, 2024.

MEETING CONTINUED

The board meeting is continued to the Reserved Works Committee meeting at 10:00 A.M. on Monday, January 22nd at the East Columbia Basin Irrigation District, 55 North Eighth Avenue, Othello, Washington.

CONTINUED MEETING

The continued meeting of the South Columbia Basin Irrigation District was called to order by Director Lyall at 10:00 A.M. on January 22, 2024, at the East Columbia Basin Irrigation District in Othello, Washington. Those in attendance were:

DIRECTORS

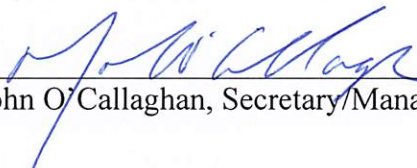
Charles Lyall
JJ Danz
Jared Balcom

OFFICERS AND STAFF

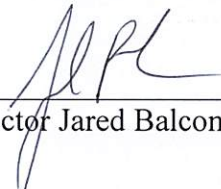
John O'Callaghan, Secretary/Manager
Kellie Pierson-Geddes, Assistant Secretary/Treasurer
Brian Scott, Chief Engineer
Larry Martin, Attorney

ADJOURNMENT

With no further business, Director Lyall adjourned the meeting at 12:00 P.M.



John O'Callaghan, Secretary/Manager



Director Jared Balcom, Vice-President

